



PSC NEWS

Missouri Public Service Commission

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FOR IMMEDIATE RELEASE

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PSC APPROVES AGREEMENT IN NATURAL GAS CASE

JEFFERSON CITY--The Missouri Public Service Commission has approved an agreement which allows DTE Enterprises and DTE Ozark to sell its partnership interests in Southern Missouri Gas Company, L.P. to Sendero SMGC GP Acquisition Company and Sendero SMGC LP Acquisition Company (Sendero). The joint applicants had stated the sale would not be detrimental to the public interest because it would not result in any reduced level of service or reliability.

Under the agreement:

- * Sendero and Southern Missouri Gas Company will not seek a cost of capital increase, and Sendero will ensure that Southern Missouri Gas Company's ratepayers will not receive a rate increase, because of the transaction;
- * There will be a three year general rate moratorium;
- * Detailed gas supply plans that include an evaluation of demand requirements, evaluations of hedging, economic cost evaluations, and gas supply/transportation reliability will be provided to the PSC Staff every September 15; and
- * Southern Missouri Gas Company agrees to not seek recovery of any acquisition premium for Sendero's purchase of Southern Missouri Gas Company.

The Commission determined the relief requested in the application was reasonable and the agreement filed by the joint applicants and the PSC Staff should be approved.

Southern Missouri Gas Company provides natural gas service to approximately 7,500 natural gas customers in the Missouri counties of Wright, Texas, Webster and Douglas.